KAMIESBERG MUNICIPALITY

BALANCE SHEET AS AT 30 JUNE 2008

	NOTE	2008 R	2007 R
CAPITAL EMPLOYED			
Funds and Reserves		3,696,954	3,696,953
Statutory Funds	1	1,992,171	1,992,171
Reserves	3	1,704,783	1,704,783
(ACCUMULATED DEFICIT) / RETAINED INCOME	16	-8,380,301	-4,133,269
		-4,683,347	-436,316
Trust Funds	2	1,461,301	812,021
Long Term Liabilities	4	1,327,143	1,327,143
Cosumer deposits: Services	5	4,629	126
		-1,890,274	1,702,976
EMPLOYMENT OF CAPITAL			
Fixed Assets	6	2,598,408	2,598,407
Investments	7	494,059	356,163
		3,092,467	2,954,570
NET CURRENT ASSETS / LIABILITIES		(4,982,741)	(1,251,595)
CURRENT ASSETS		8,168,234	6,095,522
		-	-
Debtors	8	7,847,827	6,095,522
Bank		320,407	
CURRENT LIABILITIES		(13,150,975)	(7,347,117)
Provisions	9	924,300	574,300
Creditors	10	11,198,137	5,967,829
Loans : Short Term Portion of long-term liability	4	91,287	89,957
Bank overdraft		937,251	715,031
		(1,890,274)	1,702,976

INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE 2008

Actual Income 2007 R	Actual Expenditure 2007 R	Actual Surplus (Deficit) 2007 R		Actual Income 2008 R	Actual Expenditure 2008 R	Actual Surplus (Deficit) 2008 R	Budget Surplus (Deficit) 2008 R
9,241,978	9,385,447	(143,469)	RATES AND GENERAL SERVICES	12,084,343	14,312,781	(2,228,438)	-
7,693,966	7,265,867	428,098	Community Services	10,322,467	10,700,766	(378,299)	
-	-	-	Subsidised Services	-	-	-	
1,548,013	2,119,580	(571,567)	Economic Services	1,761,876	3,612,015	(1,850,139)	
3,212,315	2,695,959	516,356	TRADING SERVICES	4,005,891	6,265,788	(2,259,897)	
12,454,293	12,081,406	372,887	TOTAL	16,090,234	20,578,569	(4,488,335)	-
		2,023,000	Appropriations (see note 17)			232,395	
		2,395,887	Net Surplus / (Deficit)			(4,255,940)	
		-	Extraordinary Items			-	
		(6,529,156)	Unappropriated Surplus/ (Accumulated Deficit) at Beginning of Period			(4,124,361)	
		-4,133,269	Unappropriated Surplus/ (Accumulated Deficit) at End of Year			-8,380,301	

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

		2008 R	2007 R
1.	**STATUTORY FUNDS**		
	Capital Development Fund	**1,992,171**	**1,992,171**
		1,992,171	**1,992,171**
	(Refer to Annexure A for more details)		
2.	**TRUST FUNDS**		
	Kheis Creche	**20,826**	**20,826**
	Garies / Kheis Pipeline	**12,423**	**12,423**
	EPWP Project	**145,262**	**114,677**
	Diamond Trust Fund	**254,594**	**254,594**
	Bucket Eradication	**274,858**	**409,500**
	Kamassies Waternetwork	**348,423**	**-**
	Drough Relief	**54,575**	**-**
	Library Upgrading	**190,000**	**-**
	EPWP Project Hondeklipbaai	**160,340**	**-**
		1,461,301	**812,021**
	(Refer to Annexure A for more details)		
3.	**RESERVES**		
	Groenrivier Development Fund	**1,704,783**	**1,704,783**
		1,704,783	**1,704,783**
4.	**LONG TERM LIABILITIES**		
	DBSA Loans	**1,327,143**	**1,417,100**
		1,327,143	**1,417,100**
	Less: Portion Transferred to Current Liabilities		**89,957**
	DBSA Loans		**89,957**
	(Refer to Annexure B for more details)	**1,327,143**	**1,327,143**
5.	**CONSUMER DEPOSITS - SERVICES**		
	Consumer Deposits	**4,629**	**126**

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

	2008 R	2007 R
6. FIXED ASSETS		
Fixed assets at the beginning of the year	24,941,491	20,912,899
Capital expenditure during the year	3,128,304	4,028,592
Less: Written Off, Transferred or Disposed Of	-	-
Total Fixed Assets	28,069,794	24,941,491
Less: Loans Redeemed and Other Capital Receipts / Not Utilised Donations	25,471,387	22,343,083
Net Fixed Assets	2,598,408	2,598,408
(Refer to Annexure C and Section 2 of the Treasurer's Report for more details)		
7. INVESTMENTS		
Short Term Deposits with Banks	494,059	356,163
No investments have been written off during the year. No investments have been pledged as security for any funding facilities of the council.		
8. DEBTORS		
Current Debtors	11,421,506	11,347,245
Sundry Debtors	2,058,856	238,480
	13,480,362	11,585,725
Less: Provision for Bad Debts	5,632,535	5,490,203
	7,847,827	6,095,522
9. PROVISIONS		
Audit Fees	924,300	574,300
	924,300	574,300
10. CREDITORS		
Trade Creditors	10,847,496	5,837,563
Receipts in advance	350,641	130,266
	11,198,137	5,967,829

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

		2008 R	2007 R
	Site Valuations as at 30/06/2008 R	Actual Income 01/07/2007 to 30/06/2008 R	Actual Income 01/07/2006 to 30/06/2007 R
11. ASSESSMENT RATES			
General	-	2,376,065	1,866,125
	-	-	-
	-	2,376,065	1,866,125
12. COUNCILLORS REMUNERATION			
Mayor's Allowance		262,105	262,105
Councillors Allowances		816,880	816,880
		1,078,985	1,078,985
Councillor's remuneration are within the upper limits as prescribed.			
13. MANAGEMENT REMUNERATION			
Municipal Manager		493,108	381,882
Financial Manger		323,282	145,338
Technical Manager		-	260,378
Manager Economic Development		-	177,557
		816,390	965,155
14. AUDITORS REMUNERATION			
Audit Fees		924,300	240,000
15. FINANCE TRANSACTIONS			
Total external intrest earned or paid			
Interest earned		-	26,958
Interest paid		-	191,691
		-	218,650
Capital charges debited to operating account			
Intrest: External		-	191,691
Internal		-	-
Redemption: External		-	89,957
Internal		-	-
		-	281,649

	2008 R	2007 R
16. APPROPRIATIONS		
16.1 APPROPRIATION ACCOUNT		
Accumulated deficit at beginning of year	(4,124,361)	6,529,156
Operating deficit for the year	(4,488,335)	372,887
Appropriations for the year	232,395	2,023,000
Adjustments : Previous Year	232,395	2,023,000
Accumulated surplus at end of year	(8,380,301)	8,925,043
17. CASH GENERATED BY OPERATIONS		
Surplus for the year	(4,488,335)	372,887
Adjustments in respect to Pr. Year	232,395	2,023,000
Capital Charges	-	281,649
Interest Paid Internal Loans	-	
Interest Paid External Loans	-	191,691
Redemption Internal Advances	-	
Redemption External Loans	-	89,957
Non operating income	-	-
Sale of erven	-	-
Non operating expenditure	-	-
Expenditure charge against Funds, Reserves and Provisions.	-	-
	-	-
Investments Income		
Non Operating Expenditure	-	-
Expenditure charged against Provision and Reserves		
	(4,255,940)	2,677,535

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

	2008 R	2007 R
18. (INCREASE)/DECREASE IN WORKING CAPITAL		
(Increase)/Decrease in inventory	-	-
(Increase)/Decrease in debtors, long term debtors	(2,121,596)	(2,506,087)
Increase/(Decrease) in creditors and consumer deposits	5,622,861	(840,692)
	3,501,265	(3,346,779)
19. (DECREASE) IN EXTERNAL LOAN		
Loans repaid	-	(89,957)
	-	(89,957)
20. (INCREASE)/DECREASE IN INVESTMENTS		
Investments made	-1,617,895.95	(2,777,831)
Investments realised	1,480,000.00	2,585,957
	(137,896)	(191,874)
21. DECREASE IN CASH ON HAND		
Cash balance at beginning of year	(700,146)	(105,172)
Less : Cash balance at end of year	(616,844)	(715,031)
	83,302	609,859

22. RETIREMENT BENEFITS

The retirement benefit plan is subject to the Pension Fund Act, with pensions being calculated on the final pensionable remuneration paid.

23. POST BALANCESHEET EVENT

A forensic audit has been performed on certain sub division of stands in Hondeklip Baai. The outcome of the audit is still outstanding.

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2008

	NOTE	2008 R	2007 R
CASH RETAINED FROM OPERATING ACTIVITIES		3,073,710	(328,028)
Cash generated by operations	19	-4,255,940	2,677,535
Investment Income		78,705	
(Increase)/Decrease in Working Capital	18	3,501,265	(3,346,780)
Sub Total		(675,970)	(669,244)
Less: External Interest Paid		(27,905)	(191,691)
Cash available from operations		(703,875)	(860,936)
Cash Contibution from the Public and State		3,777,585	532,908
Net proceeds on disposal of fixed assets		-	-
CASH UTILISED IN INVESTING ACTIVITIES		(3,128,304)	-
Investment in fixed assets		(3,128,304)	-
NET CASH FLOW		(54,594)	(328,028)
CASH EFFECTS OF FINANCING ACTIVITIES			
Increase/(Decrease) in long-term loans	21	-	(89,957)
Increase/(decrease) in short-term loans	22	-	
(Increase)/decrease in cash Investments	23	(137,896)	(191,874)
(Increase)/decrease in cash (bank and cash)	24	83,302	609,859
		(54,594)	(328,028)

ANNEXURE A

STATUTORY FUNDS, TRUST FUNDS, RESERVES AND PROVISIONS

	Balance 30/6/2007	Contributions	Interest Received	Other Revenue	Expenditure	Balance 30/6/2008
	R	R	R	R	R	R
STATUTORY FUNDS						
Revolving Fund	1,992,171	-	-	-	-	1,992,171
TRUST FUNDS						
Library Upgrading		190,000				190,000
Drough Relief		159,331			104,756	54,575
EPWP Project	114,677	490,999	-	-	460,414.17	145,262
Kamassies Waternetwork		348,423	-	-	-	348,423
Electricity Lepelsfontein / Soebats		1,876,713	-	-	1,876,713	0
Kheis Creche	20,826	-	-	-	-	20,826
Garies / Kheis Pipeline	12,423	-	-	-	-	12,423
Diamond Trust Fund	254,594	-	-	-	-	254,594
Bucket Eradication	409,500	-	-	-	134,642.00	274,858
EPWP Project Hondeklipbaai		160,340	-	-	-	160,340
	812,020	3,225,806	-	-	2,576,525	1,461,301
RESERVES						
Groenrivier Development Fund	1,704,783	-	-	-	-	1,704,783

ANNEXURE B

EXTERNAL LOANS AND INTERNAL ADVANCES

	Rate %	Period	Amount	Redemption Date	Balance 30/6/2007 R	Received R	Redeemed or written off R	Balance 30/6/2008 R
EXTERNAL LOANS								
DBSA Loans								
Garies Sewerage				2015/09/30	1,327,143	-	0	1,327,143
TOTAL					1,327,143	-	0	1,327,143
INTERNAL ADVANCES TO BORROWING SERVICES								
Revolving Fund					1,650,859	-	-	1,650,859
					1,650,859	-	-	1,650,859

Approval has been received from the MEC of Local Government that no contributions and interest will be charged against the revolving fund.

ANNEXURE D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2008

Actual 2007 R		Actual 2008 R	Budget 2008 R
	REVENUE		
5,318,583	**GRANTS AND SUBSIDIES**	5,930,311	7,404,250
5,318,583	**Central Government**	5,930,311	7,404,250
7,135,709.77	**OPERATING INCOME**	10,159,923	14,356,411
1,866,125	**Assessment Rates**	2,376,065	2,740,000
928,725	**Electricity**	1,902,925	3,690,000
2,064,300	**Water**	1,805,263	3,137,593
2,276,559	**Other service charges**	4,075,670	4,788,818
12,454,293		16,090,234	21,760,661
	EXPENDITURE		
5,719,024	**Salaries, wages and Allowances**	7,086,476	7,728,043
4,900,380	**General Expenses**	12,329,009	12,819,995
1,716,459	**Purchase of electricity**	2,661,661	1,800,000
125,616	**Purchase of water**	391,945	360,000
3,058,305	**Other general expenses**	9,275,403	10,659,995
549,190	**Repairs and Maintenance**	1,163,084	1,095,000
281,649	**Capital Charges**	-	-
	Contribution to fixed assets	-	-
631,163	**Contribution to funds**	-	-
12,081,406	**Gross Expenditure**	20,578,569	21,643,038
	Less: Amounts charged out	-	
12,081,406	**Net Expenditure**	20,578,569	21,643,038
372,887	**SURPLUS**	(4,488,335)	117,623

ANNEXURE C

ANALYSIS OF FIXED ASSETS

Expenditure 2007	Services	Budget 2006/2007	Balance at 30/6/2007	Expenditure 2007/2008	Written off, transferred or redeemed during the year	Balance 30/6/2008
R		R	R	R	R	R
665,949	Rates and General Services	-	8,746,777	91,462	-	8,838,239
665,949	Community Services	-	8,746,777	91,462	-	8,838,239
-	Municipal Manager	-	1,147,178	-	-	1,147,178
-	Council General Expenses	-	3,365	-	-	3,365
-	Buildings	-	5,448,215	-	-	5,448,215
30,000	Office furniture & equipment	-	383,952	-	-	383,952
534,694	Vehicles and equipment	-	1,361,508	-	-	1,361,508
-	Chief Financial Officer	-	230,745	-	-	230,745
-	Fire Fighting	-	784	-	-	784
-	Sport Facilities	-	4,000	91,462	-	95,462
101,255	Roads and Streets	-	101,255	-	-	101,255
-	Cemetary	-	668	-	-	668
-	Caravan Park	-	65,108	-	-	65,108
-	Subsidised Services	-	28,069	-	-	28,069
-	Library	-	9,323	-	-	9,323
-	Traffic	-	18,746	-	-	18,746
-						
2,647,047	Economical Services	-	10,583,858	134,642	-	10,718,500
-	Cleansing	-	1,736,628	-	-	1,736,628
2,647,047	Sewerage	-	8,847,230	134,642	-	8,981,872
-						
3,312,996	TOTAL RATES AND GENERAL	-	19,358,704	226,104	-	19,584,808
-	HOUSING SERVICES	-	2,054,318	-	-	2,054,318
-	Housing	-	2,054,318	-	-	2,054,318
715,596	Trading Services	-	3,528,469	2,902,200	-	6,430,669
	Electricity	-	1,454,045	1,876,713	-	3,330,758
715,596	Water	-	2,074,424	1,025,487	-	3,099,911
4,028,592	TOTAL FIXED ASSETS	-	24,941,491	3,128,304	-	28,069,795
	LESS: LOANS REDEEMED AND OTHER CAPITAL RECEIPTS		22,343,083	3,128,304	-	25,471,387
	Loans Redeemed and Advances repaid		7,007,407		-	7,007,407
	Contribution from operating income		696,177	-	-	696,177
	Grants and Subsidies		14,639,499	3,128,304	-	17,767,803
	Public Contributions					
	NETT FIXED ASSETS		2,598,408	(0.09)	-	2,598,408

ANNEXURE E

DETAILED INCOME STATEMENT FOR THE YEAR ENDING 30 JUNE 2008

Actual Income 2007 R	Actual Expenditure 2007 R	Surplus/ (Deficit) 2007 R		Actual Income 2008 R	Actual Expenditure 2008 R	Surplus/ (Deficit) 2008 R
9,241,978	9,385,447	(143,469)	RATES AND GENERAL SERVICES	12,084,343	14,312,781	(2,228,438)
7,693,966	7,265,867	428,098	Community Services	10,322,467	10,700,766	(378,299)
-	441,918	(441,918)	Municipal Manager	-	787,338	(787,338)
-	1,237,983	(1,237,983)	Council General Expenses	-	1,291,246	(1,291,246)
112,627.68	1,267,474	(1,154,847)	Administration	53,673	1,847,615	(1,793,942)
2,069	715,276	(713,207)	Technical Services	264,263	1,198,925	(934,662)
7,574,089	3,331,353	4,242,736	Chief Financial Officer	9,991,745	5,214,287	4,777,458
5,180	1,840	3,340	Cemetary	12,786	14,740	(1,954)
-	-	-	Sport and recreation	-	181,037	(181,037)
-	270,023.63	(270,024)	Economical Services	-	165,577	(165,577)
-	-	-				
			Subsidised Services	-	-	-
-	-	-		-	-	-
1,548,013	2,119,580	(571,567)	Economic Services	1,761,876	3,612,015	(1,850,139)
1,402,447	2,091,191	(688,744)	Sanitation and sewerage	1,706,048	3,416,410	(1,710,362)
18,081	8,301	9,780	Caravan Park	27,933	61,438.00	(33,505)
127,484	20,088	107,397	Commonage Land	27,895	134,167.00	(106,272)
		-				-
3,212,315	2,695,959	516,356	TRADING SERVICES	4,005,891	6,265,788	(2,259,897)
953,790	1,957,402	(1,003,612)	Electricity	1,912,279	3,305,713	(1,393,434)
2,258,525	738,557	1,519,968	Water	2,093,612	2,960,075	(866,463)
12,454,293	12,081,406	372,887	TOTAL	16,090,234	20,578,569	-4,488,335
		372,887	Appropriation for the Year			(4,488,335)
		2,023,000	Add: Appropriations prior year			232,395
		2,395,887	Net Surplus / (Deficit) for the Year			(4,255,940)
		(6,529,156)	Unappropriated Surplus at the beginning of the Year			(3,891,965)
		(4,133,269)	Unappropriated Surplus / Accumulated (Deficit) at the end of the Year			(8,147,905)